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ABSTRACT

The Workforce Investment Act (WIA) focuses on integrating and streamlining services, requiring that most employment and training services, including those provided under the Temporary Assistance for Needy Families (TANF) block grant, be provided through the One-Stop Center System. States are implementing WIA, but not all will have all steps completed by July 1, 2000. While WIA does not require states to provide all mandatory program services on-site at one-stop centers, states report that many services are. The largest sources of funding to support the one-stop infrastructure and operations are most often WIA-mandated labor programs. A majority of states report at least some relationship between one-stop centers and TANF, an optional program under WIA, at the state or local level. Challenges to implementing an integrated system result from establishing and formalizing WIA-required partnerships; developing the one-stop infrastructure; and integrating program services while responding to multiple federal requirements. Despite challenges, states and localities are developing promising integrated service delivery approaches. Areas critical to successful service integration under WIA are attracting and serving employers; bringing in job seekers; creating a customer-friendly environment for job seekers; providing job seekers with tailored and seamless services; and helping job seekers become self-sufficient. (YLB)

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Testimony

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WORKFORCE INVESTMENT ACT

Implementation Status and the Integration of TANF Services

Statement of Cynthia M. Fagnoni, Director
Education, Workforce, and Income Security Issues
Health, Education, and Human Services Division

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Workforce Investment Act: Implementation Status and the Integration of TANF Services

Mr. Chairman, Madam Chairman, and Members of the Subcommittees:

Thank you for inviting me here today to discuss our work on the Workforce Investment Act (WIA) and the integration of services at one-stop centers, including those provided under the Temporary Assistance for Needy Families (TANF) block grant. Two years ago, the Congress passed WIA to begin unifying a fragmented employment and training system–creating a new, comprehensive workforce investment system. At its core, WIA focuses on integrating and streamlining services, requiring most employment and training services be provided through a single system, called the One-Stop Center System. The degree to which services are integrated and the form of service integration have generally been left to the states and localities to decide. In general, WIA provides for greater local control and closer coordination among employment and training programs than before. While several programs are required by the Act to provide services through the one-stop centers, others have been left to the discretion of state and local officials, including the TANF block grant program (a major federally funded assistance program that makes available to states up to $16.8 billion each year through 2002 to provide needy families with income support and employment-related assistance). With the passage of WIA, the nation's workforce development and TANF programs now share similar goals–a focus on employment and a movement toward greater state and local decision-making.

As you requested, my remarks today focus on (1) the status of states' efforts to implement WIA and the extent to which TANF services are integrated into the new workforce investment system, (2) the challenges states and localities have encountered in establishing their integrated systems under WIA, and (3) service delivery approaches that show promise in integrating and streamlining services in the one-stop centers. My testimony is based on a survey we conducted during April and May 2000 of workforce development agency officials in each of the 50 states, and fieldwork conducted from January to April 2000 in five states that were early implementers of WIA, with additional visits to several well-established one-stop centers in states that were not yet implementing WIA.[1]

In summary, while states are making progress implementing WIA, not all of them will have completed all implementation steps by July 1, 2000,

[1] Site visits included Kentucky, Florida, Oregon, Texas, and Utah. Fieldwork also included local visits to sites in Chicago and Mattoon, Illinois; Baltimore, Maryland; Dayton, Ohio; and Janesville and Racine, Wisconsin.

when WIA takes full effect. Frequently delayed are the steps related to establishing formal agreements between partners at the one-stop centers. To support the one-stop system required under WIA, states report using multiple federal funding streams during fiscal year 2000, with the top funding sources most often coming from Department of Labor programs, such as WIA, the Employment Service (ES), and Unemployment Insurance. Although TANF is an optional partner with WIA, linkages between WIA and TANF are being forged in most states. As states and localities have attempted to integrate their services under WIA, they report having confronted several challenges including

- the difficulties of building partnerships with other agencies, as required under WIA;
- developing the infrastructure to support an integrated program–including both the physical facilities and the computer systems; and
- developing an integrated approach and responding at the same time to the requirements of individual federal programs.

Despite these challenges, we found that states are developing integrated service delivery approaches that show promise, often focusing their efforts on resolving the issues that had been found in the fragmented employment training system.

Background

For well over a decade, states and localities have engaged in efforts to integrate their employment and training programs, often using a structure called a one-stop center that provides access to many employment-related services in a single location. With the passage of WIA in 1998, states and localities are now required to use one-stop centers to provide most federally funded employment and training services. However, services funded by TANF, a key program that provides employment, income support, and other assistance to low income adults with children, are not a mandatory part of this one-stop center system, and the degree to which TANF services have been provided through the one-stop centers has historically varied from state to state.

Early Efforts Seek to Integrate Employment and Training Services

States and localities have worked to integrate the services of the various federally funded employment and training programs. Some of these programs, such as ES, provided services, such as counseling, testing, and job referrals, to all job seekers without regard to economic or employment status. But other programs, such as the Job Training Partnership Act (JTPA), provided services—such as training and job placement

assistance–only to targeted groups of individuals, such as economically disadvantaged or dislocated workers. While many of the programs shared similar goals, their services were rarely coordinated, creating an environment of confusion and frustration and hampering efforts to help job seekers get and keep a job.[2] In fiscal year 1994, Labor began awarding One-Stop Planning and Implementation Grants to help states integrate employment and training services for Labor-funded programs. The key objectives of this one-stop initiative, aside from integration, were to create a system that was customer-driven, accountable for its outcomes, and made its core services available to all job seekers.[3] By 1998, all 50 states had received at least some implementation grant funds.

The Workforce Investment Act Emphasizes Service Integration

When WIA was enacted in 1998, it replaced the JTPA programs for economically disadvantaged adults and youth, and dislocated workers with three new programs—Adult, Dislocated Worker, and Youth–that de-emphasize the categorical nature of JTPA and allow for a broader range of services to be given to the general public.[4] The newly authorized WIA programs provide for three tiers, or levels, of service: core, including basic services such as job search assistance; intensive, including staff-intensive services such as assessment and case management; and training for eligible individuals.[5] In addition to the three new programs, WIA requires states to use one-stop centers to provide many other employment and training services. In requiring the use of one-stop centers, WIA continues the key objectives of the one-stop initiative, while also emphasizing state and local flexibility and a strong role for the private sector in new, local boards that oversee the program. WIA also extends the one-stop concept beyond Labor programs, requiring states and localities to form partnerships with other agencies offering employment and training

[2] See for example, *Multiple Employment Training Programs: Major Overhaul Is Needed* (GAO/T-HEHS-94-109, Mar. 3, 1994); *The Job Training Partnership Act: Potential for Program Improvements But National Job Training Strategy is Needed* (GAO/T-HRD-93-18, Apr. 29, 1993).

[3] Integration is characterized by features such as common intake and "seamless" service delivery. The customer may receive a range of services from different programs without repeated registration procedures, waiting periods, or other administrative procedures. Integrated services are sometimes, but not always, physically collocated.

[4] Authorized through fiscal year 2003, WIA's three new programs had a budget authority of about $3.5 billion in fiscal year 2000.

[5] Services are provided sequentially. That is, in order to receive intensive services, clients must first receive core services; to receive training services, a client must first receive core and then intensive services. Localities may establish certain activities that lead from participation in core to intensive and training services. Key to moving from core to a higher level of services is that the services are needed to help job seekers become self-sufficient.

services. About 17 categories of programs, funded through four separate federal agencies, are required to provide services through the one-stop center system under WIA.[6] Table 1 shows the programs that WIA requires to provide services through the one-stop centers (termed mandatory programs) and the related federal agency.

Table 1: WIA's Mandatory Programs and Related Federal Agencies

Federal agency	Mandatory program
Department of Labor	WIA Adult WIA Dislocated Worker WIA Youth Employment Service (Wagner-Peyser) Trade adjustment assistance programs Veterans' employment and training programs Unemployment Insurance Job Corps Welfare-to-Work grant-funded programs Senior Community Service Employment Program Employment and training for migrant and seasonal farm workers Employment and training for Native Americans
Department of Education	Vocational Rehabilitation Program Adult Education and Literacy Vocational Education (Perkins Act)
Department of Health and Human Services	Community Services Block Grant
Department of Housing and Urban Development (HUD)	HUD-administered employment and training

WIA does not require that all program services be provided on-site (or collocated)–they may be provided through electronic linkages with

[6] In addition, three other categories of programs are required to provide services through the one-stop center: Youth Opportunity Grants; demonstration, pilot, multiservice, research, and multistate projects; and national emergency grants. Because they are of limited scope, we did not include them in our total.

partner agencies or by referral—but WIA does require that the relationships and services be spelled out in a Memorandum of Understanding (MOU). Other key requirements of WIA are that states or localities must

- submit a 5-year strategic plan to Labor;[7]
- establish a State Workforce Investment Board to assist the governor in developing statewide policies on a new Workforce Investment System;
- establish Local Workforce Investment Areas, each with its own Local Workforce Investment Board to oversee the new system locally;
- establish a comprehensive one-stop center in each local area;[8]
- negotiate with Labor on the state's expected level of performance on key measures (termed performance standards);
- include cost allocation plans in MOUs between the local boards and WIA partners;
- identify eligible training providers whose performance qualifies them to receive WIA funds; and
- establish a new training system in which a qualified client can choose his/her own training from the list of eligible training providers, and pay for it through a voucher called an Individual Training Account (ITA).

WIA also requires states to report regularly to Labor on specific client outcomes, including post-employment earnings and retention.

The Role of the One-Stop Centers in Providing TANF Services Has Varied

While WIA requires some program elements, many program policies are left to states and localities to decide, including whether to use the one-stop center system to provide services to TANF clients. State and local flexibility is also a key feature of the TANF program, which was created by the 1996 welfare reform legislation passed by the Congress 2 years before WIA. Under TANF, states have more flexibility than under its predecessor

[7] In order to obtain funds states must have an approved plan in place. Labor is given 90 days to review the plan. If Labor does not act within 90 days the plan will be considered approved.

[8] Each local area must include at least one comprehensive center that must provide services by all partners under WIA.

programs to determine the nature of financial assistance, the types of client services, the structure of the program, and how services are to be delivered. At the same time, TANF established new accountability measures for states and a 5-year lifetime limit on federal TANF assistance. These measures heighten the importance of helping TANF recipients find work quickly and retain employment. As states have used the new flexibility under TANF and focused more on employment, the importance of integrating services for those receiving TANF has received increased attention. To help clients get and retain their jobs, states need to address problems that interfere with employment, such as child care and transportation issues and mental and physical health problems. Solving these problems often requires those who work directly with clients to draw on other federal and state programs, often administered by other agencies, to provide a wide array of services. While local welfare agencies have typically administered TANF, food stamps, and Medicaid, other programs that provide key services to TANF clients are administered by housing authorities, education agencies, and state employment services offices. TANF's focus on employment requires welfare agencies to work more closely than before with state and local workforce development systems.[9] Our previous work on pre-WIA programs found wide variation in the degree to which the welfare and non-welfare programs collaborated to provide employment and training services. We found that 17 states used one-stop centers or other traditional employment and training structures to provide employment-related services to TANF clients, 14 states separated services for welfare clients by providing these services in a welfare-dedicated structure, and the remaining 19 states used a combination of approaches.[10]

States Show Mixed Progress in Implementing WIA

States are making progress implementing WIA, but not all states will have all WIA implementation steps completed by July 1, 2000. Frequently delayed are actions related to establishing formal agreements between partners in the one-stop centers. States report that many program services—especially those provided by the larger mandatory Labor-funded programs–are being provided on-site at the one-stop centers. During fiscal year 2000, the largest sources of funding to support the one-stop

[9]This is particularly true in administering services funded by the Welfare-to-Work Grants created by law in 1997 and administered by Labor. Through these grants, Labor is authorized to provide states and grantees up to $3 billion over 2 years to help welfare clients considered the hardest to employ find jobs.

[10] For further information, see *Welfare Reform: States' Experiences in Providing Employment Assistance to TANF Clients* (GAO/HEHS-99-22, Feb. 26, 1999).

infrastructure and operations were most often the WIA-mandated Labor programs. The TANF block grant was also often cited as a primary funding source.

States Are Making Progress, But Not All States Will Have Completed WIA Implementation Activities by July 1, 2000

States are making progress implementing WIA, but not all states will have completed all WIA implementation activities by July 1, 2000, when WIA takes full effect. States have completed much of the planning necessary to implement one-stop center systems. For example, all 50 states have submitted their 5-year WIA plans to Labor, and Labor expects to have all states' plans approved for at least transitional implementation by July 1, 2000.[11]

In addition, by July 1, 2000,

- all 50 states, according to our survey, expect to have established and convened their State Workforce Investment Board;
- all 50 states will have established their Local Workforce Investment Areas and have set up their Local Workforce Investment Boards, according to Labor;
- forty-nine states told us they expect to have established a comprehensive one-stop center in each local area; and
- all states will have negotiated their performance standards, according to Labor.

While many elements are in place in most states, some states do not anticipate having completed other WIA implementation activities by July 1, 2000. For example, our survey found the following:

- Nine states did not expect to complete their cost allocation plans—a key component of the MOUs between the local area and the other required partners. Seven other states could not tell us when they will complete their cost allocation plans.

[11] There are five critical requirements that must be completed or in place before Labor can approve the plan for either full or transitional implementation. States must (1) have negotiated their performance levels with Labor and incorporated them in the plan, (2) describe in the plan the public comment process; (3) identify in the plan the entities serving on the state board; (4) identify each local area; and (5) identify the formula for allocating WIA funds to the local areas. If transitional approval of the plan is received, Labor will provide full WIA funding to the state as long as the state meets an established timeline for completing the remaining actions needed for full implementation.

- At least five states do not anticipate being able to make available their eligible training provider list.
- At least six states do not anticipate having ITAs available for customers to use to access their training.

Larger Mandatory Programs Are Often Collocated at the One-Stop Centers

Even though WIA does not require states to provide all mandatory program services on-site at the one-stop centers, states report that many services—especially for the larger mandatory Labor-funded programs–are being provided on-site, at least part of the time.[12] WIA Dislocated Worker programs are on-site in the majority of one-stop centers in 40 states, and WIA Adult and Youth programs and the Employment Service are on-site in the majority of one-stop centers in 39 states.[13] Other mandatory programs not funded through Labor are less often found on-site. For example, somewhat fewer states have Department of Education's mandatory WIA programs on-site. Nearly half of the states report that Vocational Rehabilitation services are on-site in the majority of one-stop centers, and 12 states provide Adult Education and Literacy services at the majority of one-stop centers (see table 2).

[12] These services may only be provided on-site a few days a week through, for example, an outstationing arrangement under which program staff are assigned to the center according to a set schedule. In these arrangements, program staff may move from one office to another throughout the course of a week.

[13] States that had not yet implemented WIA provided responses on how they deliver services for their JTPA programs.

Table 2: WIA's Mandatory Programs and the Number of States Reporting Services On-Site in the Majority of One-Stop Centers

Mandatory program	Number of states
Labor	
WIA Dislocated Worker (JTPA title III)	40
WIA Adult (JTPA title IIA)	39
WIA Youth (JTPA title IIB andC)	39
Employment Service (Wagner-Peyser)	39
Trade adjustment assistance programs	35
Veterans' employment and training programs	35
Unemployment Insurance	29
Welfare-to-Work grant-funded programs	27
Senior Community Service Employment Program	21
Employment and training for migrant and season farm workers	15
Job Corps	7
Employment and training for Native Americans	3
Education	
Vocational Rehabilitation Program	21
Adult Education and Literacy	12
Vocational Education (Perkins Act)	6
Health and Human Services[a]	
Community Services Block Grant activities	4
HUD[b]	
HUD-administered employment and training	4

Note: Eight states were not able to provide any data on collocation.

[a]Department of Health and Human Services.

[b]Department of Housing and Urban Development

One-Stop Funding Often Comes From Labor-Funded Mandatory Programs

During fiscal year 2000, the largest sources of funding to support the one-stop infrastructure and operations were most often the WIA-mandated Labor programs.[14] WIA was identified by all states as a funding source for one-stop centers, and one of the largest three sources by 44 states.[15] The Employment Service was also identified as a source of one-stop funding by nearly all states.[16] Other federal funding sources, such as Education's Vocational Rehabilitation Program, were sometimes cited as important in

[14] States are not required to track one-stop center costs directly–financial reporting is done through each of the individual programs. Therefore, states could not provide information about the exact amount of funds used to support one-stop centers.

[15] States not yet implementing WIA reported on JTPA funding.

[16] The Employment Service (Wagner-Peyser) had a budget authority of about $765 million in fiscal year 2000.

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funding one-stop centers. The majority of states say they use more than 11 separate sources of funds[17] to support one-stop infrastructure and operations; four states use 20 or more funding sources (see table 3).

Table 3: Mandatory Programs Funding One-Stop Center Infrastructure and Operations

Mandatory program	Number of states using program to fund infrastructure and operations	Number of states identifying program as one of three largest funding sources
Labor		
JTPA/WIA	50	44
Employment Service (Wagner-Peyser)	49	42
Veterans' E&T Program	43	1
Trade adjustment assistance programs	39	0
Unemployment Insurance	39	11
Welfare-to-Work Grants	39	1
One-Stop Implementation Grant	37	18
Senior Community Service Employment Program	28	0
Job Corps	20	0
Education		
Vocational Rehabilitation	37	1
Adult Education and Literacy	29	0
Vocational Education	24	0
HUD[a]		
HUD Employment and Training	11	0

Note: We did not require states to provide funding information on Health and Human Services' Community Services Block Grant and employment and training programs for Native Americans and migrant and seasonal farmworkers.

TANF Services Are Often Part of the One-Stop System

While TANF is an optional program under WIA, a majority of states reported at least some relationship between the one-stop centers and TANF at either the state or local level. Forty-three states told us that TANF is a state-level partner with the one-stop center system developed under WIA. Often the coordination between the two programs at the state level is formal, through MOUs or other state-level agreements, but it is also often informal, such as through sharing program information. At the local level,

[17] Includes both mandatory and nonmandatory programs.

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24 states reported providing at least some TANF services on-site at a majority of their one-stop centers.[18] Because low-income families may be eligible for many other federal welfare-related programs, including food stamps and Medicaid, these centers sometimes include those services, as well. In seven of the 24 states, one-stop centers provide TANF employment-related services and the Food Stamp Employment and Training Program, along with eligibility services for TANF, food stamps, and Medicaid. Eight more states reported that a majority of their one-stop centers have TANF employment-related services in combination with the Food Stamp Employment and Training Program, but do not have eligibility services on-site. Another seven include TANF employment-related services alone without the Food Stamp Employment and Training Program or eligibility services.[19] In these states, individuals would apply for TANF cash assistance and other welfare-related services through a separate welfare system. TANF funds also often contributed to financing one-stop infrastructure and operations during fiscal year 2000–33 states cited TANF funds as a source of support and 12 of these states ranked it among their three largest funding sources.

Implementing an Integrated System Has Presented Challenges to States and Localities

As states have worked to integrate their services at one-stop centers, and some have broadened the range of program services they provide at the one-stop centers to include those funded by TANF, they report facing several challenges. These challenges result from

- establishing and formalizing partnerships, as required under WIA;
- developing the one-stop infrastructure to support a broader, more comprehensive one-stop center system; and
- integrating program services while responding to the multiple federal requirements for these programs.

Establishing New, More Formal Partnerships

WIA requires that a broader array of program services be included in the one-stop system than was often found in earlier one-stop centers, and

[18]Another 15 states reported no TANF or other welfare-related services are provided at a majority of one-stop centers, and the remaining 11 did not respond to this survey question.

[19]Of the 24 states that reported including at least some TANF services at a majority of their one-stop centers, two other combinations of TANF services were reported–one state had TANF employment-related and eligibility services and another included TANF employment and eligibility in combination with the Food Stamp Employment and Training Program.

developing partnerships with the agencies that administer the newly integrated programs has been problematic for many states. Building new partnerships was the subject of the largest number of written comments in our 50-state survey. These partnerships must be formally articulated through MOUs, including plans for how costs will be shared. The requirement for stipulating cost sharing has caused widespread difficulties in states and localities. Many one-stop centers we visited reported that they had experienced problems determining how partners would share costs for common expenses, such as administrative staff and utilities. For example, they told us that funding limitations across program partners and the lack of guidance from state and federal agencies make it difficult for them to allocate costs in a fair and proper manner. In addition, states volunteered that, while in the past local agencies might share resources, such as staff or telephones in exchange for office space, they can no longer make these trades under WIA guidelines. Difficulties in allocating costs have resulted in MOUs being delayed, and states and localities are struggling to find equitable cost sharing methodologies while still meeting operational costs and the requirements of the legislation. In addition, several states reported "growing pains" as they merged cultures across the various program partners. They attributed these to differences in managerial style, service delivery philosophy, or administrative rules. One-stop centers have used a variety of mechanisms to overcome these cultural barriers. For example, the one-stop center in Janesville, Wisconsin, took active steps to address this cultural challenge by engaging all of the one-stop center staff in joint planning efforts long before the center was open to the public.

Designing the One-Stop Center System and Its Infrastructure

States have been challenged by the logistical issues involved in designing and developing an integrated one-stop center system under WIA. Deciding how to provide services—whether on-site, through electronic linkages, or by referral—has been complicated, and the decisions sometimes bring unforeseen consequences. For example, providing employment and training services on-site to TANF clients might be seen as the best way to make use of existing resources and expertise. Because TANF clients often must bring their children with them to receive the services, it's likely that the center will need to establish on-site child care facilities. In Provo, Utah, for example, the one-stop center pursued on-site child care facilities to help parents better utilize one-stop services and minimize disruptions for staff and customers. The Provo center contracted with a licensed day care provider to provide on-site child care services, which, they told us, have been well-used.

Once states and localities decided how the one-stop center system would provide integrated services, they struggled to develop the one-stop center infrastructure. One of the other major infrastructure challenges encountered by states has been the development of computer systems to support an integrated environment. We recently reported that states' automated systems for welfare reform, for example, have major limitations, such as the inability to access individual data on TANF recipients from some of the agencies serving them, including job assistance agencies.[20] One-stop partners face similar challenges in their inability to share client information and performance data that would, for example, require customers to complete the same information or take the same assessment tests separately for each program they use. In addition, many of the systems that support the various one-stop partners are incompatible with one another. One location we visited, for instance, had several computer networks but none of them could communicate with the other. Over one-third of the states in our survey do not expect to have a Management Information System in place by July 1, 2000; some do not know when such a system will be available. Labor has been working to develop a comprehensive computer system—the One-Stop Operating System (OSOS)–that states could use to support WIA-required data collection, but the system is not yet available and, as currently configured, will support only the Labor-funded mandatory programs. Several states told us that the system will not be flexible enough to meet their needs. Labor estimates that between 8 and 12 states may use OSOS when it is available.

Responding to Multiple Federal Requirements

States' efforts to integrate their programs to provide customers with seamless service delivery have been affected by the differing requirements of the multiple federal funding sources supporting one-stop systems. Each program has restrictions on how its money can be used, and specific requirements for reporting. While WIA requires the programs to work together and provides the opportunity for federally funded programs to integrate services, the way in which the funds are distributed to states makes it difficult for them to respond to the spirit of the law, according to state and local officials. For example, states must track and report administrative costs separately for a number of federally funded programs, but the definition of administrative cost can differ by program. In addition, states report that it is difficult to measure and evaluate overall one-stop center performance because federal measures are established to evaluate

[20] See *Welfare Reform: Improving State Automated Systems Requires Coordinated Federal Efforts* (GAO/HEHS-00-48, Apr. 27, 2000).

each separate program, rather than to evaluate system-wide success. To address this, some states are developing their own system-wide performance measures, in addition to those required under the federal statutes. For example, to measure the degree to which the one-stop centers are serving employers, Utah's centers are measuring the percentage of area employers that are served by the centers.

Despite Challenges, States and Localities Are Developing Integrated Service Delivery Approaches That Show Promise

Despite these challenges, states and localities are designing and developing integrated service delivery approaches at one-stop centers, focusing their efforts on resolving some of the longstanding issues inherent in a fragmented system. In so doing, they have looked to the new requirements of WIA and focused on a broader range of services to meet the employment-related needs of the general public. In addition, they have begun to emphasize simultaneous services to both employers and job seekers. While no outcome data are yet available on the success of their work, some of their early efforts show promise for implementing an integrated workforce investment system.

One-Stop Service Delivery Approaches Use WIA's Customer Focus and Aim to Reduce Problems Inherent in Fragmented System

In designing services at one-stop centers, states and localities have sought to combine WIA's emphasis on employment and post-employment services to the general public with efforts to solve the problems that have existed in a fragmented employment and training system. For example, in earlier work, we identified some key problems that exist in a fragmented system, including (1) frustration for employers because of wasted time responding to multiple job inquiries for the same openings from several different government entities; (2) confusion on the part of job seekers and service providers because there was not a clear entry point or clear path from one program to another, nor was there ready access to program information; and (3) frustration for job seekers because programs were not tailored to meet their needs and because navigating the various programs to get needed assistance meant completing multiple intake and assessment procedures.[21] To effectively integrate their programs, states and localities needed to address these issues, while meeting the enhanced client focus of WIA. We identified the following key areas as critical to successfully integrating services under WIA:

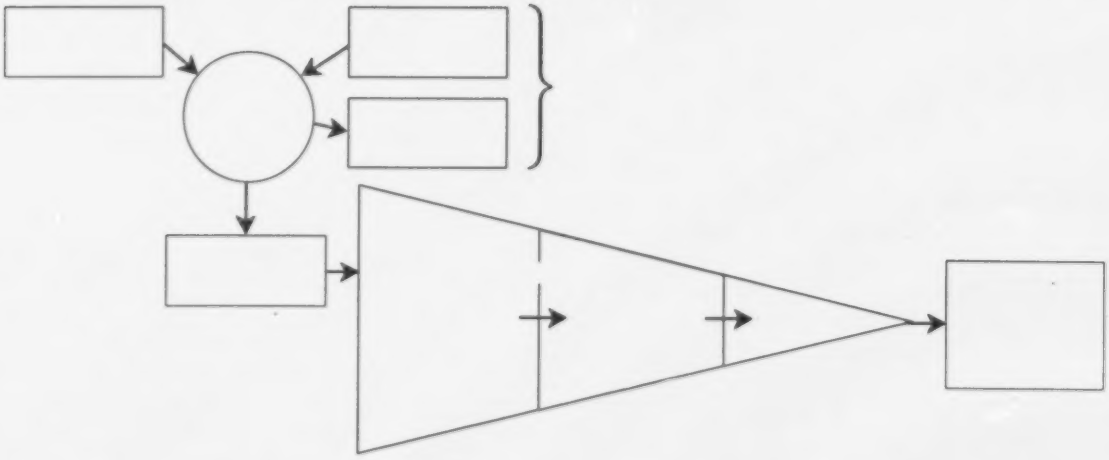
- Attracting and serving employers in ways that minimize wasted time and reduce their frustration;

[21]See for example, *Multiple Employment Training Programs: Major Overhaul Is Needed* (GAO/T-HEHS-94-109, Mar. 3, 1994).

- Bringing job seekers to the one-stop centers to help them obtain ready access to employment and program information;
- Creating a customer-friendly environment for job-seekers by reducing confusion, providing them with a clear entry point and clear path from one program to another;
- Providing job seeker services that are tailored and seamless, helping them identify and obtain needed program services without the burden of completing multiple intake and assessment procedures;
- Helping job seekers become self-sufficient by providing post-employment services that assist with job retention and advancement.

Fig. 1 charts the processes followed by customers passing through the system and each of the key areas in which we identified promising approaches. App. I provides a summary of the promising approaches.

Fig. 1: One-Stop Process, Key Areas of Promising Approaches



Attracting and Serving Employers

To effectively attract and better serve employers, many one-stop centers market their services, minimize the burden on employers who use the centers, and provide employer-focused services. To bring in employers and to reduce the frustration and confusion that they experienced when receiving contacts from multiple agencies, the centers we visited in Titusville and Melbourne, Florida, designated an individual or a team to serve as the center's representative for an employer or employment sector, covering issues related to job listings and placements. In providing services to employers, centers in Dayton, Ohio, Janesville, Wisconsin, and in Utah allow employers to use the one-stop facilities to recruit, interview, and test job candidates. One center in Florence, Kentucky, provides video-teleconferencing facilities so that candidates can be interviewed by employers who may be located outside the local area. In a small center in Portland, Oregon, where facility space is limited, a desk is dedicated for employer use, allowing them to have a presence at the one-stop center and to recruit, screen, and interview candidates. To help bring in and serve small businesses, centers in Killeen, Texas, and Eugene, Oregon, are creating a business-only resource center within the one-stop center with special resources that include internet services, business-related reference material, and assistance with business tax questions.

Bringing in Job Seekers

At the same time one-stop centers are attracting employers, they also need to attract job seekers and make them aware of the centers' resources. In our earlier work on multiple employment programs, we found that job seekers were confused and frustrated by the limited information readily available on government programs that could help them and on where they could access this information.[22] The centers we visited found several ways to address these problems and bring in job seekers. For example, to help residents identify a site as one of a network of one-stop centers, all centers in Utah have developed a "franchise look" that includes consistent signage, interior designs, layouts, color schemes, and logos. To increase community-wide awareness, centers in Killeen, Texas, and Kanab, Utah, have become identified as a community resource by providing space, such as kitchen or banquet facilities or classrooms, for a variety of community-wide events. Other centers bring in customers by targeting services to younger members of the community, such as high school students. For example, the center in Racine, Wisconsin, established a youth resource area with computers and programs dedicated to career exploration. The

[22] See, for example, *Multiple Employment Programs* (GAO/HRD-93-26R, June 15, 1993).

center worked with the school system and has become a site for school field trips throughout the primary and secondary school years.

Creating a Customer-Friendly Environment for Job Seekers

Once job seekers are inside the door of the one-stop center, the next step is to create a "customer-friendly" environment—one that reduces confusion and provides a clear entry point to services. One-stop center operators told us that they try to find ways to avoid the atmosphere of a government office and the long waiting lines that have symbolized government transactions, like applying for welfare benefits or unemployment insurance. Almost without exception, one-stop centers we visited had an information desk directly inside the front door that was continually staffed by a receptionist or greeter. Some centers considered this position key to providing high-quality services to their clients. One center in Texas assigns only top performers to the information desk and regards that assignment as an honor.

Many centers, such as Dayton, Ohio, and Killeen, Texas, minimize the waiting time for services by performing a quick assessment at the information desk and then refer clients to service areas. One-stop centers in Utah feature an express desk that serves customers needing quick services. Instead of having to sit down with a job counselor or case manager, customers using the express desk can, for instance, obtain bus passes or electronic benefit transfer cards, or drop off required documents. Some centers, such as the one in Janesville, Wisconsin, also use their resource rooms—where they maintain job listings, computers with internet access, telephones, and fax machines—as the waiting area for specialized services, thus allowing the customers to use their wait time to accomplish necessary job search tasks.

Providing Job Seekers with Services That Are Tailored and Seamless

Many job seekers can meet all their needs in the self-service resource room. In fact, Labor officials expect that the majority of customers under WIA will receive needed services through self-service or with very limited assistance from staff. However, some clients, like many TANF recipients, may need more intensive case management services to help them get and keep a job. Trying to obtain just this type of intensive service has historically frustrated clients who were left on their own to navigate the array of federal programs, each with its own intake and assessment procedures. One-stop centers we visited often found ways to integrate the services provided by multiple programs, creating a seamless approach to delivering services.

- Clients in all centers in Utah, for example, see a single case manager for all intensive services, including TANF services, food stamps, and Medicaid, despite the program or combination of programs that fund the services. All case managers in Utah are trained to provide services for every program offered through the center, minimizing the burden on the client who, in an unintegrated system, might have had to go through several assessment and intake processes.

- In Killeen, Texas, where more than one case manager may be involved in a case, the centers assign a primary case manager who takes the lead to coordinate most activities and assist the client to navigate the system.

In many locations we visited, the case managers are aware of all the program services available to serve a client—including support services to enable a client to attend training or to get or keep a job—and tailor the services to meet the clients' needs. In our earlier work, we found tailoring of services to be a key feature in successful employment training programs.[23]

Helping Job Seekers Become Self-Sufficient

The efforts of the one-stop center do not end once a client gets a job. The focus of the services provided to clients changes to one of helping the client retain the job or upgrade skills to get a better job. WIA's performance measures track the program's ability to help clients retain employment and increase their earnings over time. This post-employment program emphasis is new for the workforce development system, and most states and localities we visited were only beginning to develop their efforts. Most of the promising approaches we identified were being provided only to current and former TANF clients. For example, Florida has established Retention Individual Training Accounts, funded with TANF funds, to provide post-employment training through vouchers to their TANF clients who have found employment.

Conclusion

We are still a long way from having in place a nationwide comprehensive workforce investment system that effectively serves both job seekers and employers, but it is evident that a transformation is underway in how employment and training services are provided. At this early stage of WIA implementation, we see states making progress in integrating employment and training services, a key goal of WIA. The system is starting to unfold,

[23] See *Employment Training: Successful Projects Share Common Strategy* (GAO/HEHS-96-108, May 7, 1996).

new relationships are being established, and, despite the challenges, states and localities are developing promising approaches in the way they serve their customers.

Mr. Chairman, Madam Chairman, this concludes my prepared statement. I will be happy to respond to any questions you or other Members of the Subcommittee may have.

GAO Contacts and Acknowledgments

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Appendix I: Examples of Promising Approaches in Service Delivery

States and localities are designing and developing integrated service delivery approaches at one-stop centers. While no outcome data are yet available, some of their early efforts show promise for implementing an integrated workforce investment system. We identified five key areas that are critical to successfully integrating services under WIA, and provide illustrative examples of the promising approaches we identified in those areas.

Key area	Example of promising approach
Employers	
Attracting and serving employers	Establishing a single point-of-contact from the one-stop center to a business or business sector Locating computers/kiosks in chambers of commerce and other business-related facilities Providing dedicated facilities on-site for employers to use in recruiting, interviewing, testing, and training job candidates Involving private staffing agencies on-site to increase the number of jobs available to their job-seekers Creating a business resource center on-site including computers that have specialized software and internet linkages, publications on small business issues, and a assistance with business tax questions
Job seekers	
Bringing in job seekers	Establishing a youth resource area with computers and programs dedicated to career exploration, and connecting with the school system so that the area is the site for school field trips at regular intervals throughout the primary and secondary school years Providing space/facilities, such as kitchen/banquet facilities or classrooms, for community-wide events, making the community aware of the one-stop as a resource Developing a "franchise look," such as consistent interior designs, layouts, color schemes, and logos to make it easier for customers to locate and recognize the one-stop center Locating one-stop centers in lowest-income areas or on bus lines to increase accessibility
Creating a "customer friendly" environment for job seekers	Establishing an information desk with a greeter/receptionist immediately inside the front door to reduce initial client confusion and efficiently direct clients to services Minimizing the waiting time for services by performing initial screening at the front desk and

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Key area	Example of promising approach
	referring customers to service areas Making the resource room–with its job listings, computers, telephone, and fax resources–the waiting area for specialized services Establishing an "express desk" to collect paperwork requirements without a wait and using call-in centers to help determine initial eligibility for TANF
Providing job-seeker services that are tailored and seamless	When intensive or specialized services are needed, establishing a single or primary case manager for clients enrolled in multiple programs to reduce the burden on clients and staff Establishing a "value added" referral system, where case managers would be familiar with other programs and would provide extra assistance to assure that the program referral was appropriate and valuable
Helping job seekers become self-sufficient	Establishing "Retention Individual Training Accounts" to provide incumbent worker training to TANF clients by way of vouchers Linking hands-on training to one-stop center needs in order to improve access to training

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